GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:449
ANSWERED ON:25.08.2000
VIOLATION OF FERA
RAM TAHAL CHOUDHARY

Will the Minister of FINANCE be pleased to state:

(a) the details of cases pertaining to the violation of the Foreign Exchange Regulation Act, 1973 by the individuals, the corporate bodies and other organisations;

(b)the position in respect of inquiry into each of the cases;

(c) the details of persons found guilty for the violation of said Act during the last three years; and

(d) the action taken against them ?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI V.DHANANJAYA KUMAR)

(a) to (d) : A statement is laid on the table of the House.

STATEMENT IN REPLY TO LOK SABHA STARRED QUESTION NO.449 FOR ANSWER ON 25TH AUGUST, 2000.

(a) to (d) : As on 1st June, 2000, a total of 9154 cases were pending under investigation and adjudication under the provisions of Foreign Exchange Regulation Act, 1973. Out of these cases, 4651 cases are at the investigation stage while 4503 cases have been taken up for adjudication after issue of Show Cause Notice.

In the cases relating to violation of the provisions of FERA,three types of action is taken. The first is preventive detention in terms of the provisions of COFEPOSA, 1974.The second is adjudication in respect of cases in which Show Cause Notices have been issued and the third action is filing of prosecution in Courts of law under section 56 of FERA for substantive violations of the Act and under section 57 of the said Act for non payment of penalty imposed after adjudication.

During the last three years, detention orders were issued against 116 persons under COFEPOSA. 7938 cases have been adjudicated during this period wherein a total penalty of Rs.451.22 crore was imposed. During the last three years, prosecution was launched in 379 cases under Section 56 of FERA, and in 119 cases under Section 57. During theaforesaid years, the Courts found 73 persons guilty under Section 56 and 38 persons under Section 57 of FERA.